

### **ARTICLE III**

7. “Official Mark” means the certification and/or service mark established by the Marketing Committee and authorized for use by those signatory shippers who verify that their leafy green products have been grown, packed, shipped, processed and/or handled in accordance with the best practices and other Marketing Agreement requirements.

### **ARTICLE VI**

#### **Section A. OFFICIAL MARK**

Pursuant to A.R.S. § 3-404(B)(7), the Marketing Committee may establish an official certification mark and an official service mark. The certification mark certifies that the leafy green products contained in the package or bin bearing the mark have been grown, packed, shipped, processed and/or handled in accordance with the best practices and other Marketing Agreement requirements. The service mark identifies signatory shippers in compliance with the best practices and other Marketing Agreement requirements. A signatory shipper’s compliance with the best practices is a condition precedent and subsequent to the signatory shipper’s privilege to affix the marks to the signatory shipper’s leafy green products and/or paperwork.

#### **Section B. REQUIREMENTS FOR USE OF MARK**

Signatory shippers shall only apply the certification mark to leafy green products that have been grown, packed, shipped, processed and/or handled in accordance with the best practices and other Marketing Agreement requirements. Signatory shippers shall only apply the service mark to their documents, including bills of lading. A signatory shipper shall only use the marks if it:

1. Is subject to periodic inspection by an inspector and files with the Marketing Committee such reports as are periodically required.
2. Maintains a trace-back system, as defined in the best practices, subject to annual process verification by an inspector and files with the Marketing Committee reports as are periodically required.
3. Buys, consigns or otherwise accepts or handles leafy green products from a producer or shipper who has:
  - a. Grown the leafy green products and managed his/her farm in accordance with the best practices and other Marketing Agreement requirements, subject to periodic inspection by an inspector, and filed with the Marketing Committee reports as required.
  - b. Maintained a trace-back system, as defined in the best practices, subject to annual process verification by an inspector, and filed with the Marketing Committee reports as required.

## Section C. LOSS OF THE PRIVILEGE TO USE THE MARK

A signatory shipper who fails to comply with the terms of this Marketing Agreement shall lose the privilege to use the marks for flagrant or repeated major violations as follows:

1. A flagrant violation occurs when the signatory shipper buys, consigns or otherwise accepts or handles a leafy green product and knows or should have known the product was grown, packed, shipped, processed or handled in violation of the best practices and the violation significantly increased the risk of delivering unsafe product into commerce.
2. A repeated major violation occurs when the signatory shipper violates the best practices and has received either:
  - a. Prior written notices of two or more major violations of the best practices during the past twelve months.
  - b. A prior written notice of violation for the same type of major violation of record keeping requirements during the current and prior fiscal year.
  - c. Notices of violation for two or more different major violations of the record keeping requirements during the current and prior fiscal year.
3. The first flagrant or a repeated major violation shall result in a two-week suspension of the privilege to use the marks.
4. A flagrant or repeated major violation following a two-week suspension shall result in an indefinite suspension of the privilege to use the marks until the signatory shipper has established a corrective action plan (CAP) approved by the inspector and the Marketing Committee.
5. A flagrant or repeated major violation following implementation of a CAP shall result in an indefinite revocation of the privilege to use the marks. The privilege to use the marks shall not be restored to a signatory shipper for a minimum of two years unless the signatory shipper demonstrates to the satisfaction of the inspector and the Marketing Committee a significant change in management and brand.
6. The Marketing Committee may accelerate the progression of penalties under this Article if the signatory shipper's product seriously affects a person's health and the signatory shipper handled the product with intentional or reckless disregard for the signatory shipper's obligations under this Marketing Agreement. The Marketing Committee may consider three of the same type of minor violations of the best practices within a twelve month period as a major violation.
7. Imposition of penalties under this Article shall be subject to the Uniform Administrative Hearing Procedures, A.R.S. Title 41, Chapter 6, Article 10. Before suspension or revocation of the privilege to use the marks, the Marketing Committee shall provide the signatory shipper with notice and an opportunity for a hearing. If the Marketing Committee finds that the public health, safety or welfare imperatively requires emergency action, and incorporates a finding to that

effect in its order, the Marketing Committee may order summary suspension of a signatory shipper's privilege to use the marks pending proceedings for revocation or other action.

8. In addition to suspension or revocation of the privilege to use the marks, the Marketing Committee or Department may seek any remedy or penalty authorized by this Marketing Agreement or by law.